

# FISCAL NOTE

## SB 2020

January 21, 2002

**SUMMARY OF BILL:** Requires persons who engage in home solicitation sales to submit to criminal background check. A person or business entity engaging in home solicitation sales will be required to obtain a home solicitation sale permit for a fee of \$50.00 from the clerk of the county where solicitation sales will be conducted. Creates a Class E felony for any seller who has been convicted of a felony to conduct home solicitation sales. Conducting home solicitation sales without a permit or falsifying information on a home solicitation sales permit will be punished as a Class B misdemeanor.

### ESTIMATED FISCAL IMPACT:

**Increase State Expenditures - \$298,000 Recurring  
\$200,000 One-Time  
\$4,800/Incarceration\***  
**Increase State Revenues - \$480,000**  
**Increase Local Govt. Revenues - \$500,000**  
**Increase Local Govt. Expenditures - Exceeds \$100,000\*\***

Estimate assumes a minimum of 10,000 permits issued annually and state expenditures and revenues for staff, equipment, and FBI services for the TBI to conduct background checks at a cost of \$48 per investigation. **Estimate assumes that cost of background checks, paid by the employer, is in addition to the cost of the \$50 permit fee paid to local governments.** Local government expenditures and revenues result from the collection of permit fees and the costs to issue permits and maintain records. Also included are state expenditures for one felony conviction per year.

*\*Section 9-4-210, TCA, requires that: For any law enacted after July 1, 1986, which results in a net increase in periods of imprisonment in state facilities, there shall be appropriated from recurring revenues the estimated operating cost of such law. The amount appropriated for operating cost, in current dollars, shall be based upon the highest cost of the next 10 years, beginning with the year the additional sentence to be served impacts the correctional facilities population.*

*\*\*Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

### CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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